VZCZCXRO1827 PP RUEHROV DE RUEHEG #0726/01 1191021 ZNY SSSSS ZZH P 291021Z APR 09 FM AMEMBASSY CAIRO TO RUEHC/SECSTATE WASHDC PRIORITY 2303 INFO RUEHXK/ARAB ISRAELI COLLECTIVE RUEHTV/AMEMBASSY TEL AVIV 1899 RUEHJM/AMCONSUL JERUSALEM 1161 RHMFISS/HQ USCENTCOM MACDILL AFB FL RUEKJCS/SECDEF WASHINGTON DC RHMFISS/JOINT STAFF WASHINGTON DC

S E C R E T SECTION 01 OF 03 CAIRO 000726

SIPDIS

DEPARTMENT FOR NEA/ELA

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TAGS: <u>KPAL</u> <u>KWBG</u> <u>IS</u> <u>PA</u> <u>EG</u> SUBJECT: EGYPT: AID AND RECONCILIATION IN GAZA

REF: A. CAIRO 666 ¶B. CAIRO 657 ¶C. CAIRO 107

Classified By: Counselor for Economic and Political Affairs Catherine Hill-Herndon for reasons 1.4 (b) and (d).

11. (C) Key Points

- -- We met with the Director of the World Food Program's warehouse in El Arish on April 8, and with an American doctor, returning after 3 months in Gaza and the West Bank, on April 22. Both stressed that Gazans are still in dire need of food and medical supplies. No reconstruction efforts have begun.
- -- The doctor told us that emergency personnel needed protection from Israeli snipers, and the freedom to cross international borders to be most effective in their work.
- -- The smuggling of food and medicine through tunnels continues, but the goods are "expensive" and most cannot afford to purchase the items. There appears to be no smuggling by sea.
- -- The closure of the borders is "a political, economic and humanitarian disaster" and is giving rise to an increase in fundamentalism that HAMAS may be unable to control.
- -- President Abbas' rule "by decree," is undermining his status with the people. Palestinians are very skeptical about January 2010 elections since the international community "canceled the previous elections and punished the people.
- -- Egypt is the key player in Palestinian reconciliation in Gaza. HAMAS leaders feel that Egypt will never be fair with them because of their "Muslim Brotherhood roots."
- -- Most Palestinians recognize the central role of the U.S. in facilitating Palestinian rapprochement and restarting peace negotiations. However, they are skeptical whether USG policies could be "flexible enough" to be a fair arbiter.
- 12. (S) Comment: The Egyptian military frequently claims that that the majority of arms smuggling enters Gaza by sea (reftel A). We have seen no evidence to support this claim, and nor have these contacts, but as Egypt increases the pressure on the border tunnels, the smugglers may start to explore sea operations as a way to make up for lost income. The unfavorable view that Gazans have of the GOE is often shared by their relatives living in North Sinai (reftels B-C).

Medical and Food Aid Still Needed

13. (C) The American, Arabic-speaking doctor told us that medical aid and food were still urgently needed in Gaza. Ahmed Saad, the Jordanian Director of the World Food Program's (WFP) warehouse in El Arish told us on April 8 that the challenge remains getting food across the border. He and his staff work to obtain the purchase order from the PA in Ramallah and to bar code, plastic wrap and palletize food shipments from all over the world in order to meet Israeli standards. He told us that the WFP prepared 1,000 pallets (1 MT) during the Gaza conflict and has prepared 2,050 pallets (2 MT) since the conflict ended. Saad stated that the WFP is able to do this work for only 70 Egyptian pounds per pallet (USD 13). Still Saad told us that many of the shipments are rejected because the "Israelis work according to their mood.' He said that Israel rejected some shipments based on country of origin such as Qatar, and others because of content. The GOI is no longer allowing macaroni and tomato sauce and Saad has no idea as to the reason. Saad said the GOE was "very cooperative, but the decision-making authority is not in the GOE's hands." He said that it was easier to get shipments through Jordan and opined that the WFP warehouse in El Arish would only be operational for another two months.

No Reconstruction

 $\underline{\mathbf{1}}4$. (SBU) The doctor told us that despite pledges to

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reconstruct Gaza, "nothing is being rebuilt." She stated that the operating room in the main hospital in Gaza City still has no windows, and surgeries take place in an unsterile environment. She said that the people in Gaza are skeptical that reconstruction will happen. The people have received no instructions from the PA on how to apply for reconstruction aid.

Emergency Personnel Need Assistance

15. (C) The doctor's trip to the Palestinian territories was facilitated by the Egyptian Embassy in Washington. She was based in the Red Crescent building in Ramallah, but traveled frequently to work in Gaza. She stated that medical workers in Gaza were in desperate need of training to deal with the medical problems they were seeing due to the "war." The doctor told us that emergency services personnel are frequently targeted by Israeli snipers and need help to get permits for "escape" to Egypt to recuperate. She noted that a British plastic surgeon had been the only doctor treating phosphorous burn patients. The plastic surgeon is now in El Arish and is unable to re-enter the territories. As such, she said burn patients are not receiving the needed care. The GOE does not allow emergency personnel to transit the border for much needed R&R.

Smuggling Continuing Through Tunnels

16. (C) The doctor said that she was taken on April 19 to see 30 tunnels in a small area near the border on Gaza side. She said all tunnels were active, and she was told that the tunnels are the "only means of survival for the people in Gaza." The doctor told us that almost all of the food in Gaza stores was from Egypt, but she said it was "expensive" and most cannot afford to purchase the items. She stated that no smuggling happens by sea because Israeli gun boats constantly patrol the coastline. The doctor told us that Palestinian fisherman have been restricted to going only two

miles offshore, but still many have been shot by Israelis because the fisherman were "too close" to the two mile limit.

Border Closure Factionalizing Palestinian Society

17. (C) The doctor called the closure of Gaza's border "a political, economic and humanitarian disaster." She told us that Gazans, regardless of political affiliation, blame Israel and the U.S. for the "blockade." Because of the closure, she opined that everything of importance was "coming to a head," and there was an "urgent need for unity." The doctor stated that the current factional divide was leading to the "radicalization of extremist elements," many of which are religious-based. She told us that political representatives, associated with HAMAS in the West Bank, were being arrested and imprisoned. The doctor stated that moderates in HAMAS were losing their influence and a new "Taliban-like group" was emerging in Khan Younes. This group attracted young men and was involved in burning offices and stealing from NGOs. She said that HAMAS leaders had little influence over the group. A woman that she worked with in Gaza told her that Muslim groups were not currently dictating social norms, but she thought this could be the case in the next year if things didn't change.

Governance and the Upcoming Elections

 $\underline{\ }$ 8. (C) The doctor said that all Palestinians talk about the need for reconciliation, unity, and integration in order to rebuild their governmental institutions. However, they point out that governance is difficult when there are still 40 members of the Palestinian Legislative Council (PLC) in Israeli prisons. Because of the imprisonment of PLC members, there were not enough members to constitute a "quorum" and the PLC could not govern. As a substitute, President Abbas is ruling "by decree," which she says is undermining his status with the people." The doctor stated that Abbas has "little grassroots support" and USG backing of Salam Fayyad "undermines his position."

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 $\underline{\P}9$. (C) The doctor told us that all Palestinians are skeptical about the January 2010 elections and have not decided whether or not to "embrace the electoral process." Many Palestinians told her that they are "victims of a democratic process." They believe that the international community did not like the outcome of the last elections so it "canceled the elections and punished the people.

Egyptian Role Varies; Cairo Biased

¶10. (C) The doctor told us that Palestinians in the West Bank had little say about Egypt's role in Palestinian reconciliation because Egypt is "not a big factor in the West Those in Gaza, however, said that Egypt was "everything" when it came to reQnciliation and resolving the crisis. The doctor stated that HAMAS members accept Egypt's role in Palestinian reconciliation because they have no better choice, but they have an antagonistic view of Egypt's role. They told her that "Egypt disrespects HAMAS" and is constantly telling the group that "it has no power." She stated that HAMAS leaders feel that Egypt will never be fair with them because of their "Muslim Brotherhood roots.' Additionally, the doctor told us that the average Gazan feels Egypt "enforces the closure" and is "missing its opportunity" to moderate Gazan society.

110. (C) The doctor told us that most Palestinians recognize the central role of the U.S. in facilitating Palestinian rapprochement and restarting peace negotiations. However, she said that both Fatah and HAMAS leaders asked her whether the U.S. would be able to accept a "unity government" or whether it would work to undermine it as with the Mecca Agreement. The Palestinian Negotiations Support Unit told her that it was skeptical whether U.S. policies could be "flexible enough" to direct negotiations. The doctor stated the majority of Palestinians believe the USG supports Fatah simply because U.S. priorities in the Palestinian territories lie in blocking Islamic fundamentalism. She said that Fatah leaders are concerned that the U.S. will continue to back them, and so they continue to "play a dangerous game" by exaggerating the threat that fundamentalists currently pose. The doctor told us that HAMAS representatives wonder whether the USG can respect HAMAS' positions in order to facilitate reconciliation, or whether HAMAS will be "marginalized and shoved aside." If they try to marginalize HAMAS, the representatives opined there would not be a reconciliation process. SCOBEY